

## **Accommodations Tax Advisory Committee**

12:00 p.m., Wednesday, May 6, 2015

The ATAX Committee held its regular meeting at 12:00 p.m., Wednesday, May 6, 2015 in Council Chambers of City Hall, 1207 Palm Boulevard, Isle of Palms, South Carolina. Attending the meeting were Committee members Burgis, Covington, Haynie, Miller, and Nelson, Chair Russell, Administrator Tucker, Treasurer Suggs, Assistant Administrator Dziuban and Clerk Copeland; Ms. Rice's absence was excused and a quorum was present to conduct business.

1. Chair Russell called the meeting to order and acknowledged that the public was notified of the meeting in accordance with the Freedom of Information Act.

### **2. Approval of Previous Meeting's Minutes**

**MOTION:** Chair Russell moved to approve the minutes of the regular meeting of the ATAX Committee of April 1, 2015 as submitted; Mr. Nelson seconded and the motion PASSED UNANIMOUSLY.

3. **Citizens' Comments** – None

4. **Old Business** – None

5. **New Business**

#### **A. Financial Reports**

Treasurer Suggs stated that the financial data was still preliminary, but she did not anticipate any material changes. She quickly reviewed the April expenses for the ATAX funds and noted that none of the expenses were outside of the norm. In May, the City received the ATAX collections for the quarter ended March 31, 2015, typically the City's lowest collection of the year; the amount exceed ninety-two thousand dollars (\$92,000) which was an increase of five percent (5%) over the same period last year. Since the fiscal year was two-thirds ( $\frac{2}{3}$ ) complete, the Treasurer projected how the fund would end the year; revenues should be higher than budget at one million fifty-one thousand dollars (\$1,051,000), and expenditures that would occur in FY15 were lower than budget, so the fund should end the year at a break-even number. When the FY15 ATAX budget was originally proposed, a deficit was projected for the fund.

#### **B. Review of FY16 ATAX Budget**

Administrator Tucker explained that this budget has been changed since first presented in April. As the Treasurer stated, ATAX collections have been increased based on actual receipts; transfers have more significant changes. The Administrator noted that City Council had enacted a policy decision for the FY16 budget relative to the new Beach Preservation Fee fund revenues and how much of them would be allocated toward the expenses associated with the fall shoal management project. Since the City would use a portion of the Beach Preservation Fee revenues for that project, the impact was that the amount previously assigned to the ATAX fund has been taken out of the transfers in FY16 budget. Summarizing, the Administrator commented that revenues were anticipated to be greater and transfers-out have been reduced.

The only change to expenditures was to Professional Services; Council passed a motion to initiate the website re-design in FY15 thereby reducing the expense to the ATAX budget for FY16.

Mr. Covington asked what was included in the monthly maintenance of fifty-nine hundred dollars (\$5,900); Assistant Dziuban stated that she would get the information that was in her office to list the items.

Responding to the Chair's question, Administrator Tucker stated the VC3 was the City's contractor and that currently the City was working with them to make the website more ADA friendly and optimizing the site for mobile devices. The Administrator added that the City has been very satisfied with their services and that the City has other relationships with them as well.

Chair Russell asked whether a managed beach parking component would be factored in to their work.

The Administrator reported that a link to an app or another site would have been all that was necessary.

Assistant Dziuban reported that the annual maintenance included unlimited technical support, content management upgrade every six (6) months, an annual review, analytics, hosting and a website re-design every four (4) years for four hundred ninety-four dollars (\$494) per month.

Assistant Dziuban also noted that the City considered VC3 as a sole source provider because the City used them for many other City services and switching vendors now would be very challenging.

When the decision was made to develop a website, the Administrator reported that the City had taken bids.

Continuing with the budget review, Administrator Tucker stated that no other expense line items had changed. She noted that the FY16 ATAX budget is projected to end the year with a surplus of approximately eighteen thousand nine hundred dollars (\$18,900).

Mr. Nelson asked whether the new Beach Preservation Fee would eliminate the need to draw ATAX funds for beach maintenance.

The Administrator answered that, based on the decision made by City Council, the need to draw from ATAX funds for FY16 was unnecessary and having the alternate source might free up that responsibility and allow for those funds to be elsewhere. Administrator Tucker cautioned that beach maintenance was very expensive; therefore, using ATAX funds in the future might be necessary.

In the newest version of the FY16 budget, the upcoming fall shoal management project would require significant private contributions along with public dollars in order to execute, and, to execute the project, the City must have one hundred percent (100%) of the funds. Additionally

the City was contemplating a major off-shore project that would run in the neighborhood of ten million dollars (\$10,000,000).

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The Administrator indicated that she was nervous about collecting private funds because the property owners who have been affected have been making significant contributions and were continuing to have to spend money for emergency protective measures, like sand bags and wave dissipation devices, along with participation in the City's beach renourishment projects. The Administrator stated that the City would be looking for sources of revenue from wherever possible.

**MOTION: Mr. Nelson moved to approve the FY16 ATAX budget as presented; Mr. Burgis seconded and the motion PASSED UNANIMOUSLY.**

**6. Miscellaneous Business**

**Next Meeting Date: 12:00 p.m., Wednesday, August 5<sup>th</sup> in Council Chambers**

**7. Adjourn**

**MOTION: Mr. Burgis moved to adjourn the meeting at 12:23 p.m.; Mr. Nelson seconded and the motion PASSED UNANIMOUSLY.**

Assistant Dziuban stated that she has resigned her position with the City and expressed that she has enjoyed working with the Committee, but she promised to visit.

Respectfully submitted:

Marie Copeland  
City Clerk